

The Honorable Lloyd Smucker
Member of Congress
16th Congressional District of Pennsylvania

Members' Day Hearing
Joint Select Committee on Budget and Appropriations Reform
June 27, 2018

Co-chairs Womack and Lowey, Members of the Joint Select Committee on Budget and Appropriations Reform, thank you for the opportunity to testify before you today.

First, I would like to begin by extending my sincere appreciation for your work on this select committee.

I am hopeful that the establishment of this bicameral and bipartisan committee will lead to a meaningful discussion on the failed state of the federal budget process and result in real, systemic budget reforms that work for the American people.

As a member of the House Budget Committee, I am committed to putting our nation on a sustainable economic path that leads to greater prosperity for future generations. In my opinion, that starts with reforming the broken federal budget process.

Our nation is currently amid a national debt crisis that continues spiraling out of control. The national debt currently stands at \$21 trillion and continues to grow because we are simply not budgeting within our own means. We cannot continue down this road.

In my opinion, one of the leading factors to our national debt crisis is our broken and outdated budget process. The broken system fails to hold Congress accountable for its negligent spending activities and has no enforcement tools with actual teeth to ensure fiscal responsibility.

Although I am a freshman Member of Congress, in my short time here, I have been frustrated by the fact that Congress often continues to govern from one funding crisis to the next, often under the threat of a federal government shutdown. This is simply unacceptable to the American people and should be to us as well.

To put this into perspective let's look at the facts.

The congressional budget process was established forty-three years ago by the Congressional Budget and Impoundment Control Act of 1974.

Under our current budget process, all 12 appropriations bills have passed on time **just four times in 43 years** – that's once every decade.

The federal government has been fully funded on time just once in the last 21 years.

On average, the federal government passes 4 continuing resolutions every year.

And since the establishment of our current budget process, the federal government has shut down more than 20 times.

This continuous cycle of last-minute, bloated spending deals prevents Congress from properly evaluating the efficiency of federal programs – and therefore unjustly saddles taxpayers with unpaid bills for our children and grandchildren while wasting current taxpayer funds.

In the short-term, this irresponsibility threatens funding for education, environmental protection, infrastructure, healthcare or any other legislative priorities. Most importantly, current spending behavior threatens our national security and this has been attested by Pentagon officials.

That is why I strongly believe that this select committee should explore solutions that prevent government shutdowns.

I introduced the Government Shutdown Prevention Act – legislation that would provide for an automatic continuing resolution (CR) for any appropriations bill not completed before the end of the fiscal year. If a budget is still not completed within 120 days after the CR, funding levels would be reduced by one percent, and again by 1 percent after each subsequent 90-day period.

This select committee should explore solutions like mine that include an automatic continuing resolution in your package of solutions to ensure that we keep the lights on, but also hold Congress' feet to the fire. We simply should not allow American taxpayers and federal employees to be held hostage by Congress' inability to pass funding bills through regular order. Plenty of "no budget, no pay" proposals exist to consider.

Besides this important change, I would also recommend making the budget resolution a law that is signed by the President each year. That way the budget is not simply an aspirational document of potential policy proposals, but rather a binding legal document that holds our body accountable for maintaining agreed upon spending levels.

I also encourage this committee to explore potential reforms that increase inclusiveness and transparency in the budget process so American taxpayers know where their hard-earned tax dollars are going.

Finally, we need to start making tough decisions to protect and preserve the federal programs that millions of Americans rely on. No longer can Congress kick the can down the road - we must get serious about solving the issues facing our mandatory spending programs.

Mandatory spending growth is currently the biggest contributor to our national debt and accounts for 70 percent of federal spending. This select committee must address mandatory spending to improve our fiscal trajectory and any reasonable recommendations will include some effort to do so.

According to the Congressional Budget Office, four of the major trust funds are expected to run out in the next 13 years if no action is taken by Congress. We must get serious about addressing this problem before these critical programs become insolvent. This is no longer a children or grandchildren problem – it's a "now" problem.

I look forward to the opportunity to work with all of you in the upcoming months as you draft recommendations to fix the broken federal budget process. We share a common goal of wanting to fix the troubled state of our nation's fiscal health – and that starts with reforming the federal budget process.

Thank you, and I yield back.